

Affordable Housing and Planning Policy

Overview & Scrutiny

January 10th 2007

Definition of Commonly Used Terms

- **RSL:** Registered Social Landlord
- *“A housing association or a not for profit company registered by the Housing Corporation to provide social housing”* regulated by the Housing Corporation
- **CLG:** Department of Communities and Local Government. Formerly the Office of the Deputy Prime Minister.
- **HNS:** Housing Needs Survey.

National Housing Policy

- The Government believes everyone should have the opportunity of a decent home, which they can afford, within a sustainable mixed community.
- Provision of housing should meet the needs of the whole community, including those whose needs are not met by the housing market, and should include a good balance of housing types and tenures.

Affordable Housing - Definition

- *“affordable housing is housing of an adequate standard which is provided to rent (or on a shared ownership basis) at below market cost for households in need by Local Authorities or Registered Social Landlords operating on a basis of accepted and regulated standards of good practice in relation to physical conditions, management, allocation, equal opportunities and accountability to tenants and other stakeholders”.*
- *"Affordable housing is housing of an adequate standard which is cheaper than that which is generally available in the local housing market. This can comprise a combination of subsidised rented housing, subsidised low cost home ownership including shared ownership, and in some market situations cheap housing for sale. Local planning policies can provide for the provision of appropriate quantities of affordable housing in this sense“ - DCLG*

Affordable Homes – Forms

- Affordable housing includes social rented housing and intermediate housing (e.g. Shared Ownership) provided for households whose needs are not met by the housing market.
- The Government also supports some households (e.g. key workers, existing social housing tenants) in their aspirations to buy a home through shared equity and submarket rented schemes. Homes for sale are discounted (sub-market prices), and restricted to specified types of household.
- The Housing Corporation provides social housing grant to registered social landlords and other bodies to provide additional affordable homes.

Local Plan Policy

- The Council seek to achieve national affordable housing targets through local strategies. All local targets and policies are informed following research into local housing need and demand and written in accordance with national policy guidance.
- Existing local plan targets were largely based upon the findings of the 2001 Housing Need Survey. A further Housing Needs Survey was undertaken in 2005 and a Housing Market Assessment in 2006.

HBC Local Plan Policy

- Policy H6 in the local plan details the Council's policy towards the provision of affordable housing in the Borough
- Note 6 of the Local Plan 2004 gives supplementary planning guidance regarding the provision of affordable housing
- The H6 policy identifies sites in Hastings that are expected to provide affordable housing
- Windfall sites of 15+ dwellings or 0.5 hectares or more are expected to provide affordable housing

HBC Planning Policy Guidance

- 5 key principles for the provision of affordable housing on individual sites above a 15 unit threshold (or ½ Hectare)
 - affordable housing provision should take the form of social rented housing to be transferred to a Registered Social Landlord
 - Brownfield sites should provide 25% social rented housing
 - Greenfield sites should provide 30% social rented housing
 - Millennium Communities should provide 25% social rented housing with 5% other
 - Where issues of financial viability are raised by applicants for planning permission, and where policy H6 applies, planning applications should be accompanied by a current viability analysis
 - The price paid to the developer for the housing by an RSL will depend on the income stream forecast for the affordable units in question.
 - In exceptional circumstances the Council may accept a payment in lieu of completed units

HBC Planning Policy Guidance

- Developers required to enter into a Section 106 agreement to ensure transfer of completed dwellings
- The Council nominates an RSL to particular developments from a list of preferred partners

Local targets for delivering affordable housing

- The Community Strategy Target 16 calls for 3,300 new homes to be built by 2013.
- In addition:
 - 60% of new homes should be built on previously developed land (Brownfield)
 - 25% of new homes should be built as affordable home for young people and others in need

Local targets for delivering affordable housing

- The Community Strategy targets are consistent with those laid out in the Housing Strategy 2004-2009 & Local Performance Plan.

Delivery of affordable housing in Hastings:-

Affordable Housing Completions

By Year	Date ready to let	RSL	Address	total affordable hsg units	No 1beds	No 2 beds	No 3 beds	No 4 beds	No. full mobility standard	s106
2001/02	Sep-01	Moat	Redmayne Drive St Leonards	10			6	4	0	
	Nov-01	Moat	Eversfield Mews/ Cross St, St Leonards	21			3	18	0	
2003/04	Jul-03	Hyde	Marlborough House, St Leonards	40	35	5			0	
	Nov-04	Moat	Queens Hotel, Hastings	6	6				0	Y
	Feb-05	Amicus	Bal Edmund, St Leonards	12	12					y
	Feb-05	Orbit	Harrow Lane, St Leonards	5			4	1	0	Y
	Mar-05	Orbit	Harrow Lane, St Leonards	3			2	1		
2005/06	Apr-05	Orbit	Harrow Lane, St Leonards	4		4				
	Apr-05	Orbit	Frederick Rd Hospital site, Hastings	3			3		0	Y
	May-05	Orbit	Harrow Lane, St Leonards	8		6		2		
	Sep-05	Orbit	32-35 Earl Street, Hastings	10		2				N
	Dec-05	Landspeed	Hoads Wood/ Bracken Heights, St L	11		11				
	Jan-06	Orbit	Harrow Lane, St Leonards	8		8			4	
	Mar-06	Landspeed	Hoads Wood/ Bracken Heights, St L	12		12				
2006	Places for People	Buchannen Hospital	2		2					
2006/07	May-06	Moat	gillsmans green	12	6	6				y

Delivery of affordable housing in Hastings:- Affordable Housing Completions

Year	RSL	No of households assisted
2005/06	Moat	8
2004/05	Moat	7
2003/04	Moat	TBC

- The table to the left shows the number of households assisted by MOAT's key worker living program since 2003/04

Delivery of affordable housing in Hastings

Year	Total Units Completed
2001/02	31
2003/04	66
2004/05	0 (7)
2005/06	58 (66)
2006/07	12* *So far

- The table to the left depicts total affordable housing completions (units) from 2001 until present (including key worker living)

Delivery of affordable housing in Hastings:- Likely Starts on Site

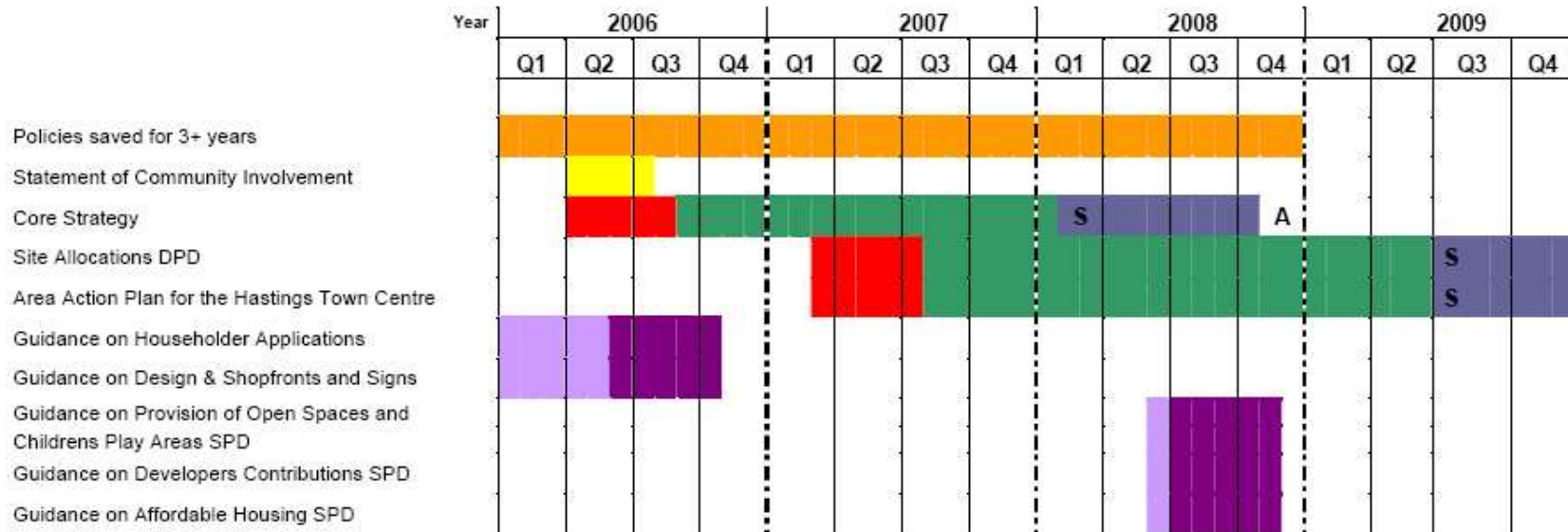
Start on site date	RSL	Address	total affordable hsg units	No 1beds	No 2beds	No 3beds	No 4beds	No. full mobility standard	s106	Comments
Jun-05	Orbit	Kendal Hse, Chapel Park Rd	23	5	18					Delayed start date - contractor
Jan-06	Orbit	Lovat Mead	32		32				N	16 Rent, 16 SD
Jul-06	Moat	Gilsman Green/Celandine drive Phase B	40	16	16	8			Y	8 SO, 8 KW - comp Sept 07
2006	Amicus	248-272 Harold Rd	11		11				Y	q over developer/ no units/ grant
2006	HCHA	73 Filsham Rd	12	10	2				N	completion oct 06

The Need for Policy Review

- Local Development Framework
- New evidence base
- New planning guidance

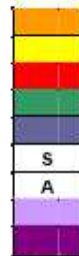
Local Development Framework Timetable

Illustrative Work Programme Hastings Local Development Scheme to December 2009



Key

- Saved Policies
- Statement of Community Involvement Adoption and Publication
- Development Plan Document Pre Production
- Development Plan Document Production
- Development Plan Document Examination
- Submission of Development Plan Document
- Adoption of Development Plan Document
- Supplementary Planning Document Pre-Production
- Supplementary Planning Document Production



The Housing Needs Survey 2005 (HNS)

- The HNS examined the needs, aspirations and demands for communities and households in Hastings
- A postal questionnaire went out to 7,900 households in 16 wards. 150 face to face interviews were conducted targeting wards and certain client groups with an anticipated low return
- Key findings relating to social / affordable housing
- The social stock is 15.1%. This is lower than the national average of 19.3%
- The social rented stock generates 453 net re-lets per year. Annually 1, 049 affordable housing units are required.
- The annual need is 596 net of existing re-let supply

The Housing Market Assessment 2006 (HMA)

- The HMA was undertaken with HBC and Rother DC to examine a strategic vision of housing supply and demand over the next 10 years, provide HBC and partners with a better understanding of the local and subregional housing market, and to provide a robust evidence base to inform the emerging Local Development Frameworks
- Contains key findings relating to affordable housing
- Housing in Hastings has become less affordable for local people
- The development of affordable housing can be difficult and costly in Hastings due to the availability and demographics of predominately small brownfield sites
- Changes in funding arrangements for affordable housing has led to uncertainty into the overall economics of new housing developments
- New developments incorporating affordable housing should be carefully planned and negotiated to ensure sustainability

The Housing Market Assessment 2006 (HMA)

- Most new affordable housing in Hastings should be in the form of social rented units. However in areas already densely populated with social rented accommodation, HBC should consider introducing other forms of new affordable housing
- The affordable housing quota stated in Local Plan 2004 should only be increased if there is clear evidence that this will not overall adversely impact the level of new residential development
- HBC should consider the nature of the neighbourhood when deciding whether to consider requesting affordable provision on site, off site or requesting a commuted sum
- The size and type of affordable housing requested on new developments should take into account the characteristics of those households the Council has a duty to house and the existing pattern of re-lets

Revised Planning Guidance PPS3

- PPS 3 Published Dec 2006.
- Sets the national planning policy framework for delivering the government's housing objectives.
- Developed in response to Barker Review of Housing Supply – seeks step change in Housing delivery.

PPS 3 - Key Policy Objectives

- Increased choice of high quality homes.
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, particularly those vulnerable or in need.
- To improve affordability by increasing supply.
- To create sustainability, inclusive, mixed communities.

PPS 3 -Specific Aims

- **To create a mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households.**
- Plans should set out likely overall projections of households that require market or affordable housing, for example X% market and X% affordable.
- The likely profile of housing need e.g. families and children (X %), single person (Y %), couples (z %).
- The size and type of affordable housing required: developer proposals should reflect the size and type of affordable housing required.
- On large sites planning authorities should set out the proportions of households requiring market and affordable housing and achieve a mix of households, tenures and prices, having regards to the proportions that are required for market and affordable housing.
- On smaller sites the mix should contribute to the creation of mixed communities, having regard to the proportions of market and affordable housing required and the existing mix in the locality.

PPS 3 - Affordable Housing

- There should be a plan wide target for the amount of affordable housing provided.
- It should reflect an assessment of the likely economic viability of land for housing and take account of the likely levels of finance available for affordable housing, including public subsidy and the level of developer contribution that can reasonably be secured.
- Plans should ensure that provision takes account for the needs of both current and future occupiers, taking account of strategic Housing Market Assessments.
- Set separate targets for social rented and intermediate forms of affordable housing.
- Specify the size and type of affordable housing that in their judgement likely to be needed in particular locations.

PPS 3 - Affordable Housing

- Set out the range of circumstances in which it will be required. National minimum is 15 units, but lower thresholds can be set locally. Proportions may be varied depending upon site-size.
- The new definition excludes low cost market housing – these need to be identified separately from affordable housing and considered as part of the overall market housing mix.
- Set out the approach to seeking developer contributions. The assumption is that affordable housing will be provided on the application site, but off site provision or a financial contribution can be accepted of a broadly equivalent value where it can be robustly justified and demonstrated that it will contribute to the creation of mixed and balanced communities.
- The PPS is to be read in conjunction with a yet to be published statement ‘Delivering affordable housing’.